THE Freeman

IDEAS ON LIBERTY

JANUARY 1956

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THE Freeman

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Russia's Farmers Pay Us A Visit

John Strohm

John Strohm, agricultural authority, coordinated the trip of Russian farm delegates through the United States. He has traveled in 65 countries around the world and has made an extensive trip through postwar Russia. Besides being editor of the *Ford Almanac*, he is official consultant to the Secretary of Agriculture and past president of the American Agricultural Editors Association.

ON A DAY of 100°-plus heat last summer, the world's news spotlight shifted to Dick Alleman's farm in central Iowa. Reporters, photographers, newsreel and TV men elbowed each other for a closer shot or a better chance to listen as they clustered about each visitor. For the 12 Soviet delegates who had come to the United States when Russia lifted its Iron Curtain for an exchange of farmers this was the first day in America's farm land.

As Dick Alleman's neighbors looked on in amazement, the Russians admiringly stroked the silken ears of tall Iowa corn. Straw-hatted Soviet officials in limp linen suits took pictures of fat hogs gorging at a self-feeder. Two Russian engineers with steel tapes swarmed over a one-man hay baler in the adjoining field, while another pored over Dick's income tax return.

No doubt about it, this was no tourist trip for the Russians. They had come to *learn*. Heading the delegation was Deputy Minister Vladimir Matskevich (since promoted, on his return to Moscow, to Minister of Agriculture over one sixth of the earth's surface). Other deputy ministers included Boris Saveleev, in charge of short-range economic planning, and Alexandr Ejhevski, deputy minister for all tractor and agricultural machine building in the Soviet Union. Several Soviet delegates had the triple distinction of being high up the Soviet ladder in agriculture, government and the Party. All the delegates were qualified farm technicians.

These officials, who came to see for themselves the American system at work, traveled 12,000 miles in a dozen states. They studied our seeds, our feeds, our breeds and our high productivity. They shopped in drugstores, Sears Roebuck and Marshall Field's. They visited with

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farmers and businessmen, teachers and preachers, and ate fried chicken in American homes. And they went back to Moscow to report to the men who run the Soviet Union what they had seen.

As our plane from New York rolled to a stop at the Des Moines airport, a milling throng of 5,000 waited back of police barricades. The Soviet visitors, mindful of what they'd heard about American warmongers, filed almost apprehensively from the plane. Suddenly the airport gates gave way and hundreds of people surged onto the field to surround the visitors.

A farmer instinctively stuck out his hand. Immediately the Soviet delegates went through the handshaking spree of their lives. For it was a warm, friendly crowd with an open-faced hospitality that is the hallmark of grass-roots people the world over. This spontaneous reception told the Russians as words and diplomacy cannot that American people do not hate the people of Russia. Invitations poured in by wire and phone, inviting them down to the yam country, out to the biggest wheat ranch in the world — to see "our town," "our factory," "our farm."

Hostility was encountered only in Minneapolis, Detroit and Chicago, where the delegation was picketed by Ukrainian groups. Nikolai Gureev, deputy premier of the Ukraine, admitted: "The only unfriendly people we've met are our own 'brothers.' "

Throughout the trip the Russians kept a cautious rein on their enthusiasm, but there is no doubt that our high productivity per man impressed them greatly. They saw farmer after farmer producing 6 to 12 times more than their own collective farmers. On that first farm visit in Iowa, they saw that Dick Alleman, singlehandedly cultivates 160 acres, raises 200 hogs, feeds 50 cattle and keeps a flock of chickens. Their questions revealed their surprise: "Where are the laborers? Who hoes the weeds from the corn? Who takes care of the livestock?"

They couldn't believe Alleman does all the work, with a little help from his father and swap-labor from neighbors during harvest. Nor could they reconcile the efficiency of this family-size farm with their idea that "with bigness comes efficiency." They worship bigness. Peter Svechnikov is chairman of a collective farm with 35,000 acres and 1,700 workers — only 20 acres per person. No wonder he was amazed when he met Jim Golden, who with two sons and a hired man, farms 2,800 acres in South Dakota.

Farm inefficiency has held back

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Soviet industrialization because more than 50 per cent of their labor is tied up in farming. By contrast, only 12 per cent of our population is engaged in agriculture — and surpluses, not scarcity, is our food problem. (Actually, about 7 per cent of the U.S. population produces 90 per cent of our food and fiber.)

The Russians tended to give the credit for this prodigious productivity to our mechanization of all jobs. They were so fascinated by our manure scoops, one-man pick-up balers, self-unloading silos, automatic feeders and pipeline milkers that they tended to miss the other reason for our farm efficiency.

"Was it perhaps the profit motive that stimulated a farmer to run 200 acres without help and reach a net profit of $9,000?" the Russians were asked.

"Our farmers too are interested in profit," Matskevich replied. But it is doubtful that he understood the point. The Soviets have attempted to stimulate farm production through a fantastic system of incentives. For example, the average woman laborer takes care of 20 sows, and gets a bonus of 50 per cent in wages if her sows wean more than eight pigs apiece and if their weight at weaning is more than 33 pounds. This, to the Russians, is "profit."

Another puzzler for them was the comparatively minor role government plays in the farmer's life. When they learned a dairyman sold his milk to a co-op, they asked, "Then the co-op tells you how to run your farm?"

The farmer shot back: "Nobody tells me how to run this farm. I can grow weeds if I want to."

Later in Washington the Russians asked, "Who's in charge of livestock for the country?" I doubt that the answer, "Three million livestock farmers," satisfied them fully.

The visitors indicated that they found in America at least a partial answer to their food problems. Matskevich listed three things which would help them lick their farm problems: hybrid corn, from seed to feed; formula feeds for livestock; mechanization of small jobs around the farm.

THE RUSSIANS were constantly being asked what they thought of America. (One remarked, "We have everything you have — including the A-bomb and H-bomb.") But there were certain things which obviously impressed them.

American women: The Russians found them young looking, pretty, attractively dressed and obviously not afraid to speak up in the presence of their husbands. We invited the Russians to supper in our home

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at Woodstock, Illinois, along with a few neighbors. When Pat — a slim, vivacious gal in her middle 30's — was introduced as a mother of seven, they gasped audibly. What did they like most about American women? "Their beautiful bosoms, and the fabric of their dresses." (At least that's how Sokolov's answer came out through an interpreter.)

Our automobiles: When I asked Matskevich if he wanted to visit Ford's River Rouge plant, he exclaimed: "To go to America and not see Ford is like going to Rome without seeing the Pope." Even an after-dark window-shopping tour in Detroit turned into a curbstone examination of the latest auto models.

Our highways: When an automobile trailer loaded with new cars whizzed by, an interpreter suggested to Ejhevski, "That's what you need to relieve the strain on your railroads." Ejhevski shook his head. "We need roads like these first."

Our food: "What American dish do you like best?" one delegate was asked. His answer: "Steak!" Which explains why one morning when the bus was ready to pull out I found four delegates still unserved at breakfast. When I asked about the delay, the waitress protested, "But they all ordered steak!"

Inside plumbing: Practically all of the farms we visited had bathrooms. The visitors wanted to know how septic tanks worked, whether they have to be emptied, and whether they could get plans to build them. (Herb Pike, Iowa farmer who visited Russia with the American exchange group, suggested that the next U.S.—USSR exchange be between "plumbers.")

Consumer goods: The Russians went for American products, up to the tune of $1,000 to $1,500 worth of purchases per man. In one store three of the visitors examined razors, tested the creams, smelled perfumes. Finally one of them selected a dozen razors, 200 blades, some lipsticks and sundry other items. When the harassed clerk had all this wrapped up, she turned to the next Soviet customer, who said: "Give me the same."

One of the delegates explained, "We can make these things, but we just haven't had time. Our Soviet policy has been to build heavy industry first." Consumer goods are now increasing slowly in the Soviet Union. Too slowly, admits the Soviet press, and the quality is poor.

Two things sparked the Russian shopping zeal in America: obvious quality plus reasonable price. They recognized a bargain when they saw one: A pair of shoes which cost $15 here would cost $80 in

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Russia. Nylon hose, $1.65 here, costs $8 in Moscow. No wonder the delegates wanted to buy some gifts for their friends and relatives back home. What they bought revealed their needs — and their interests. Svechnikov bought 11 pairs of overalls and a silk nightgown at Sears Roebuck. Another delegate spent $28 for pin-up pictures of Hollywood stars like Marilyn Monroe. One bought an electric mixer and another bought an electric blanket.

Next to shopping, going to movies was their favorite pastime. They saw everything, from triple-feature Westerns to Cinerama, and were agog when they saw an ad publicizing Rachmaninoff's music in the movie, *Seven Year Itch*. But the mixture of the maestro's concerto and Marilyn Monroe's charms baffled them. "The music is wonderful. And the Monroe anatomy is all right. But how can you mix them?" they asked. (They obviously don't know Hollywood.)

THE RUSSIANS revealed themselves to be able farm technicians, equipped to talk intelligently on all phases of agriculture. They also showed themselves to be friendly men who produced pictures of their families from their wallets, and sang sentimental songs on the bus like a bunch of college boys. One played softball with some kids. Another donned an apron in our kitchen and peeled cucumbers. All of them had a good sense of humor.

The group divided for week-end visits to two Iowa communities. When the question of church came up, Matskevich said he'd go if there was a Russian Orthodox Church in the community. Since there was none, he didn't attend church. But the other group all went to church. Curious, Matskevich asked if the church they attended was Orthodox.

"Yes, it was Orthodox," said Shevchenko solemnly. "Presbyterian Orthodox."

From their casual remarks we learned about changes in Russia. The phrase, "since two years ago," coinciding with the passing of Stalin, was mentioned frequently. "Our former leader was a theoretician," said Boris Saveleev. "Our present leaders — men like Nikita Khrushchev — are practical men. They know how the people live, and what they want."

Several of the Soviets wanted books on table settings, etiquette and flower arrangement. Matskevich kept the president of Iowa State College waiting while he talked with the college's Dean of Home Economics.

"Until two years ago, our lives were not our own," Shevchenko explained. "We had no home life. We worked until midnight and

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often until two or three a.m. Now we go to work in the morning and come home at five. We can build a family life and our families appreciate it."

Matskevich was asked how he could reconcile all the things Soviet publications had printed about downtrodden American farmers with what he had actually seen. Would he tell the truth when he got back to Moscow? His answer: "I'll tell the truth as I saw it."

I believe both countries gained from this Russian farm visit. The Russians got technical information in farming and know where they can get more. The United States gained considerably, too. The Russians must realize now that Americans do not want war. And they must know that we'd be tough to lick, if they started one. And finally, these intelligent officials must realize from what they saw of our prodigious productivity that they have vastly more to gain — for themselves, their families and their country — from peaceful exchange than they could ever possibly hope to gain from war.

See page 11, "Were the Russians Told?"

Loaded Terms

Preventive War. *Industralia* fears that at some indefinite time in the future *Ruritania* may begin a war against her. In order to avert possible defeat in a possible future war, *Industralia* therefore proposes to win an immediate victory by beginning a war immediately. But she conceals this purpose. She declares that she is not planning to fight a real war at all; she has in mind nothing more serious than the waging of a "preventive" war. That is, the best way to avoid future war is to fight now.

If we "unload" the term, "preventive war," we arrive at the truth, that the nation first to attack is always launching an aggressive war — that every war is likely to generate a new war. There is not and cannot be any such thing in fact as a preventive war.

EUGENE H. LEHMAN, *West Long Branch, New Jersey*

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Don't Discount the Moscow Oracle

ON THE THIRTY-EIGHTH anniversary of the Bolshevik revolution, Mr. Lazar M. Kagonovich, spokesman for the Soviet regime, declared that "the twentieth century is the century of triumph of socialism and communism." The gentleman implied, as a true Marxist should, that by the year 2000 A.D. the star of Moscow will direct the pattern of life all over the world. That prediction we can discount offhand. It is historically and politically untenable; even Rome could not contain the ambitions of its satraps on the perimeter of the empire, and one can hardly imagine a marionette dictator in Washington; the proud Americans would want one of their own, completely constitutional.

However, if you consider the ethos of our time, the wave of the present, you are inclined to say that Mr. K. was not talking entirely through his hat. The way things are going, and assuming that they will continue along the same lines, it is possible that the pall of "communism and socialism" will embrace human existence within the next 45 years. In fact, it looks very much as if the mass of men want it, and what the mass of men want they usually get.

The gist of Mr. K's prediction was that socialism (we can omit the "communism" as a rhetorical tautology) need not be imported into a country, that it can be endemic, and that it cannot be kept out by means of "visas and fingerprints." (He was referring to our efforts to protect ourselves against socialism by scrutinizing foreign visitors.) To see how near right he was in his forecast one must dig out of the verbiage of socialism its essential characteristic, and assess the trend of events by this characteristic.

SOCIALISM is the denial of private-property — nothing else. It is not the repression of religion, nor the regulation of the economy, nor the suppression of thought through

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control of media of expression, nor the management of life by political means. All such things may follow, and in the end must follow, from the violation of the right of the individual to keep and enjoy the fruits of his labors. To be more exact, socialism is the forcible transference of control of property from the producer to the political establishment. (Force is necessary because the individual is so constituted that he will not voluntarily give up his property.)

The means employed by a sagacious political establishment to acquire control of property is taxation. The more taxation, the more socialism. The excuse for taxation is the use of property for "social purposes" — which, in reality, means anything the appropriaters of the property may decide to do with it, including the making of war. It is the transference of control over property that is the essence of socialism, for with this control goes the freedom of the individual to pattern his own life.

In this country, more than a third of all the people produce is now confiscated by the State. To that extent, then, this is a socialistic country. This accumulation of property in the hands of the State makes it the biggest single buyer of goods, the biggest employer, the biggest dispenser of alms, the biggest factor in the economic life of the community. Either through direct employment by the State, or indirect employment by its contractors, or by virtue of its dispensation of subsidies or doles, we are all dependent on the State for all or part of our sustenance. Even what it permits us to keep out of our earnings is a matter of benevolence, not a right.

Inurement to this condition of existence induces its enlargement into an ideal. We learn to worship the State. It becomes our Baal, and Baalism is our religion. And that is what gives the prediction of the Soviet speaker such force. There is no question about the growing ardor of Americans for State regulation, control and management of the economy, and an equal apathy toward the consequent State intervention in our personal affairs. Within 45 years, by a mere increase in the amount of taxation, the concepts of freedom upon which this republic was founded, even though the words remain in our language, can be obliterated from our consciousness. And then Americanism will consist of the rites and practices of socialism, perhaps not exactly like those obtaining in the USSR, but not different in kind. It will be native grown, not imported.

That is the prospect for the year 2000 A.D., as Mr. K. predicted. The phenomenon is strange indeed,

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when one puts the twentieth century against the background of human history. In all the centuries that preceded it, the power of the State was looked upon as a curse and a scourge, as something to get rid of. Always when men sought freedom, and they always did, they thought of limiting and shackling political power; freedom never meant anything else. The miracle of the twentieth century is the complete reversal of this historic pattern, and the identifying of freedom with subservience to the State. The explanation of this miracle will engage the best brains of the future.

Uncle Sam, Baseball Magnate

FOR A SHORT WHILE, "we, the people," were in the baseball business. That is to say, the government acquired title to a bush league team; and since "we are the government" (as some persons put it), every one of us was part owner of some baseball paraphernalia, a franchise and a parcel of so-called ball players.

The last item is most important. It explains how we happened to become baseball magnates. The most valuable asset of any baseball team is the skill of the chattels under contract, for if they are of superior caliber the fans will flock to see them and the turnstiles will show a profit. In this particular case the players must have been mediocre performers, for they did not attract enough customers to pay the inevitable taxes. It was through a tax lien that "we" became baseball owners.

Fortunately, "we" got rid of these bushers at an auction sale, at a few cents on the dollar. It is horrendous to think of our plight if nobody had put in a bid for "our" property. "We" would have had to become 160 million baseball presidents and, as baseball fans rooting for our favorite teams, we would have been in constant opposition to ourselves. The whole thing is most confusing.

The incident suggests another idea. Suppose a depression hit the country, and all the grocery stores and steel mills would find themselves short of enough cash to pay their back taxes. Would "we" exercise our claims by foreclosing on the delinquent taxpayers' property? What would "we" do with all these grocery stores and steel mills? It would be most difficult to auction them off, for during a depression buyers are very scarce. "We" might be forced to operate these businesses, in an attempt to get enough taxes to keep them going, if for no other reason. That would mean nationalization of the tax-delinquent industries.

This is a thought worth considering.

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Socialism the Antidote for Socialism

A NEWS ITEM starts a train of thought. This story, date-lined London, tells of the disillusionment of Norman N. Dodd, Labor member of Parliament for the last ten years, and one of the architects of British socialism.

Having received a number of complaints from his constituents about the inefficiency of electric repair men (he had been instrumental in nationalizing the electric company), he decided to investigate for himself. He sat at the front window of his residence and watched a repair crew make some line changes. He watched for a whole week. Then he remarked, quite sadly, according to the report, that the "workmen had averaged one-hour's work per day." The rest of the time they loafed.

Mr. Dodd had learned a fact of economic life and found it inconsistent with his preconceived notions. Men work, he learned, to satisfy their desires, and if their desires can be satisfied without working, they give up work. They have no interest in toil *per se*. In the welfare state, which undertakes to satisfy desires, whether or not the recipient has paid out an equivalent in effort, the tendency is to take what is given and be parsimonious with effort. This is not a theory, it is a fact that is riveted in the human make-up.

Mr. Dodd learned this from watching one end of the production line. If he had investigated the entrepreneurial end, he would have found the same human trait at work. The promoter, just like the most marginal worker, puts out effort only because he is interested in returns; and if the promise is negligible, he limits his output of effort accordingly. Thus, in the welfare or socialistic state, which undertakes to tax productive effort in order to dispense welfare, the worker does not work because he gets what he wants without working, while the enterpriser loses interest in taking risks because the government takes (for welfare) so much of the expected returns that little is left him for his satisfactions.

The net result of welfarism, then, is a diminution of production. Or, to put it in the stock phrase of economics, socialism produces an economy of scarcity. And the reason for this is simply that socialism refuses to recognize the fact that men work only to satisfy their desires, that they will not work if their desires are satisfied without it or if the work yields no satisfaction. That's how the human animal operates and there is nothing socialism can do about it.

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Were The Russians Told?

JOHN STROHM does a fine piece of reporting in his story in this issue — "Russia's Farmers Pay Us A Visit" (p. 1). It is factual and well told. We can take it for granted that the Russian visitors learned much about farming in the United States and, for the sake of the people of the USSR, we hope they profited from this knowledge.

And yet, THE FREEMAN reader will probably ask whether they learned anything about the economics of our farming system, about the effect of subventions on farm production, about the higher prices the consumer must pay for his food despite the increased supply. The visitors undoubtedly were impressed by the abundance of food produced by 12 per cent of our population as compared with the output of 50 per cent of their own population engaged in agriculture. And it was only natural for them to ascribe this higher production per farm hand to greater mechanization, better fertilizers, improved seeds, and so on.

Were they told that behind all this was a political farm policy that fixed the price of farm products above the normal market price?

Were they told that marginal farms and farmers were thus kept in business, while farmers who exceeded quotas were punished?

Were they told that a good part of the farm yield was bought up with tax money and stored away to rot and decay, so as to create a scarcity?

Were they told that the consumer, besides being compelled to pay the subventions, did not get the benefit of this abundance?

Were they told of the vast and expensive bureaucracy that this system imposed on the taxpayer?

The chances are that they were not. And they could not learn about our farm policy by examining the soil of Iowa nor by watching Wyoming ranch hands rope calves. Its secrets are in Washington, D. C., where the only crop is taxes.

WE CANNOT increase government outlays in particular and reduce them in general. . . .

If people want easier taxes they can have them, but they will have to pay the price of forbearing to urge more spending programs on a federal government already overburdened with debt and responsibilities. They must learn to see that the money they get from Washington is the money they sent to Washington, less freight charges both ways.

—*First National City Bank Monthly Letter*, November 1955

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Neither Left Nor Right

Leonard E. Read

"WHY, you are neither Left nor Right!"

This observation, following a speech of mine, showed rare discernment. It was rare because I have seldom heard it made. It was discerning because it was accurate.

Most of us seem always to be reaching for word simplifications — handy generalizations — for they often aid speech. They take the place of long drawn-out definitions. Yet, care must be exercised lest these word-shorties play semantic tricks and do a disservice to those who use them. Such, I fear, is the case with "Left" and "Right" when used by libertarians who, I hope to demonstrate, are neither Left nor Right in the accepted parlance of our day.

"Left" and "Right" are each descriptive of authoritarian positions. Liberty has no horizontal relationship to authoritarianism. Libertarianism's relationship to authoritarianism is vertical; it is up from the muck of men enslaving man. But, let's begin at the beginning.

There was a time when "Left" and "Right" were appropriate and not inaccurate designations of ideological differences. "The first Leftists were a group of newly elected representatives to the National Constituent Assembly at the beginning of the French Revolution in 1789. They were labeled 'Leftists' merely because they happened to sit on the left side in the French Assembly.

"The legislators who sat on the right side were referred to as the Party of the Right, or Rightists. The Rightists or 'reactionaries' stood for a highly centralized national government, special laws and privileges for unions and various other groups and classes, government economic monopolies in various necessities of life, and government controls over prices, production and distribution."*

The Leftists were, for all practical purposes, ideologically similar to those of us who call ourselves "libertarians." The Rightists were ideological opposites: statists, interventionists, in short, authoritarians. "Left" and "Right" in France, during 1789-90, had a semantic handiness and a high degree of accuracy.

* Dean Russell, *The First Leftist* (Irvington-on-Hudson, N.Y.: Foundation for Economic Education, 1951), p. 3.

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But "Leftist" was soon expropriated by the authoritarian Jacobins and came to have an opposite meaning. "Leftist" became descriptive of egalitarians and was associated with Marxian socialism: communism, socialism, Fabianism.

What, then, of "Rightist"? Where did it fit in this semantic reversal of "Leftist"? The staff of the Moscow apparatus has taken care of that for us, and to their advantage: Anything not communist or socialist they decreed and propagandized as "fascist." This is by way of saying that any ideology that is not communist (Left) is now popularly established as fascist (Right).

LET'S TAKE a look at Webster's definition of fascism: "Any program for setting up a centralized autocratic national regime with severely nationalistic policies, exercising regimentation of industry, commerce, and finance, rigid censorship, and forcible suppression of opposition."

What, actually, is the difference between communism and fascism? Both are forms of statism, authoritarianism. The only difference between Stalin's communism and Mussolini's fascism is an insignificant detail in organizational structure. But one is "Left" and the other is "Right"!

WHERE DOES this leave the libertarian in a world of Moscow word-making? The libertarian is, in reality, the opposite of the communist. Yet, if the libertarian employs the terms "Left" and "Right," he is falling into the semantic trap of being a "Rightist" (fascist) by virtue of not being a "Leftist" (communist). This is a semantic graveyard for libertarians, a word device that excludes their existence. While those with Moscow relations will continue this theme, there is every reason why libertarians should avoid it.

One important disadvantage of a libertarian's use of the Left-Right terminology is the wide-open opportunity for applying the golden-mean theory. For some twenty centuries Western man has come to accept the Aristotelian theory that the sensible position is between any two extremes, known politically today as the "middle-of-the-road" position. Now, if libertarians use the terms "Left" and "Right," they announce themselves to be extreme Right by virtue of being extremely distant in their beliefs from communism. But "Right" has been successfully identified with fascism. Therefore, more and more persons are led to believe that the sound position is somewhere between communism and fascism, both spelling authoritarianism.

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The golden-mean theory cannot properly be applied indiscriminately. For instance, it is sound enough when deciding between no food at all on the one hand or gluttony on the other hand. But it is patently unsound when deciding between stealing nothing or stealing $1,000. The golden mean would commend stealing $500. Thus, the golden mean has no more soundness when applied to communism and fascism (two names for the same thing) than it does to two amounts in theft.

The libertarian can have no truck with "Left" or "Right" because he regrets any form of authoritarianism — the use of police force to control the creative life of man. To him, communism, fascism, Nazism, Fabianism, the Welfare State — all egalitarianism —fit the definitive description which Plato, perhaps cynically, gave us centuries before any of these coercive systems were evolved:

> The greatest principle of all is that nobody, whether male or female, should be without a leader. Nor should the mind of anybody be habituated to letting him do anything at all on his own initiative; neither out of zeal, nor even playfully. But in war as well as in the midst of peace — to his leader he shall direct his eye and follow him faithfully. And even in the smallest matter he should stand under leadership. For example, he should get up, or move, or wash, or take his meals . . . only if he has been told to do so. . . . In a word, he should teach his soul, by long habit, never to dream of acting independently, and, in fact, to become utterly incapable of it.

Libertarians reject this principle and in so doing are not to the Right or Left of authoritarians. They, as the human spirit they would free, ascend — are above — this degradation. Their position, if directional analogies are to be used, is *up* — in the sense that vapor from a muck-heap rises to a wholesome atmosphere. If the idea of extremity is to be applied to a libertarian, let it be based on how extremely well he has shed himself of authoritarian beliefs.

Establish this concept of emerging, of freeing — which is the meaning of libertarianism, and the golden-mean or "middle-of-the-road" theory becomes inapplicable. For there can be no half-way position between zero and infinity. It is absurd to suggest that there can be.

What simplified term should libertarians employ to distinguish themselves from the Moscow brand of "Leftists" and "Rightists"? I have not invented one but until I do I shall content myself by saying, "I am a libertarian," standing ready to explain the definition to anyone who seeks meaning instead of trademarks.

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The Perfect Price

Benjamin F. Fairless

WHAT DETERMINES the price of a ton of steel? Who sets it? Just what is the policy of United States Steel as to prices?

Along with other successful American industries, we in the steel business learned a long time ago that the following economic principle is true and sound: Each manufacturer must learn how to produce and sell his products as efficiently and cheaply as his competitors. If he doesn't, he will soon find himself without customers because of the competitive struggle for markets in a free economy. Any successful business must necessarily conform to that fact of the market place if it is to prosper and fulfill its obligations to its employees, its owners and its customers. A by-product of this competition among producers is the best possible product and service at the lowest possible price.

Actually, I could state — simply and truly — that in the long run it is the customers who primarily set the price of steel as they set the price of everything else, and that — again in the long run — the opinions of government officials, the general public, the owners and even the management have astonishingly little to do with it. But that wouldn't be the full story of the immediate market price of steel because a great many decisions must necessarily be made by a number of people before the price is presented to the customers for their final decision—against which there is no appeal.

BUT BEFORE explaining a few of the most important factors that play a part in determining the final market price of steel, I must mention one theory of pricing which, most definitely, we do not use. I refer to the cost-plus theory. I mention it because many people seem to be under the impression that manufacturers set the prices on their products by the process of adding an arbitrarily fixed mark-up to all costs. No business can be run successfully in that way as long as it has competitors in a free market.

It is true enough that a company must recover all its costs — plus a profit — if it is to stay in business. And, admittedly, our

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company does aim to recover all its costs, plus a profit, from the sale of its products. But we run into all sorts of problems and complications along the rugged path to that desired goal.

For example: It seems that almost every time U.S. Steel raises its prices, we are expected to justify the price increase to everybody except the people who are asked to pay it — our customers. Fortunately, they neither need nor want a long story; our customers know at first glance whether the price is right or not. And they render their combined verdict without any political speeches or vote-getting clichés. We are acutely aware of the fact that they can turn to any one of our numerous and eager competitors, or look for a substitute, or cut down on inventory, or even cut back on production. Whether the customer's verdict on our prices is for us or against us, we still believe that it is the right verdict since it is delivered by a free person using his own money in a free market.

But the matter of price does not rest there. Government officials, union leaders, the public — as represented by certain newspaper columnists and radio commentators — always show a keen interest in the price of steel, and we are always willing to explain to any interested person how we arrive at the prices we hope to get for our products.

NATURALLY, any explanation about prices must dwell at length on costs, since they are the first factors we must consider in arriving at a price that we hope will stand up in a competitive market. The largest cost of all is, of course, wages and salaries — including pensions, social security, insurance and other benefits — paid to or for the employees of the company. The second largest cost is the products and services bought by the company. Next comes the cost of government, in the form of taxes. There are other costs which I shall mention in a moment.

Time and again in the past, we have explained these three largest costs in great detail to anyone who would listen. Doubtless we will explain them time and again in the future. When we point out the obvious fact that these costs must be covered in the price of our products, everyone usually understands and approves. But there are two generally unrecognized dangers in this approach. First, as I have already mentioned, it frequently misleads the unwary into the fallacious belief that industry can and does operate exclusively on a cost-plus basis. This, of course, isn't even remotely correct. Second, when we begin listing our costs of

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doing business, we run into the awkward fact that some people claim that many of the things we must pay for aren't costs at all!

For example, you might think that everyone would agree that depreciation — that is, the using up of machinery during the process of production — is a cost of doing business. But the taxing policy long followed by Congress does not realistically recognize that fact. Under present circumstances, its rules on regular depreciation permit us to list as a cost only a fraction of the purchase price of an equivalent new machine which is to replace a worn-out or obsolete machine. Apparently the government still refuses to acknowledge the fact that its inflationary policies have caused prices for new equipment to double and treble since the old equipment was bought some twenty years or more ago. It permits us to recover approximately the same number of dollars originally invested, but it forbids us to recover the same amount of purchasing power.

The price of steel is also heavily influenced by another vital factor which is not generally given the consideration it deserves. I refer to growth and expansion and modernization. Everyone will agree that it costs money to modernize an old steel plant or to build a new one. But you can start an argument with almost anyone as to where that money is to come from. There are only three possible sources. It must come from a realistic treatment of depreciation recovery which recognizes the reality of inflation; or it must come from the sale of stocks and bonds; or it must come from profits.

WE HAVE already examined the depreciation possibility — and found it wanting. Now let's take a brief look at the possibility of raising the needed capital by the sale of stocks.

Here we must face this unhappy and persistent fact: Over the years, the profits and dividends of U.S. Steel have just not been sufficiently large to permit it to attract needed capital funds from stock purchasers! Investors just won't buy ownership in our company in the form of stock at the price it now costs us to build the new plant and equipment. For example, take the Fairless Works — a fully integrated steel plant we recently built. Its cost to us was about $300 per ton of ingot capacity — or about $400 per ton of finished product.

Ownership in our plant and equipment and other assets can be purchased in the form of stock certificates on the open market. But the verdict of a free people in a free market who are using their

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own savings to buy stock is that (at the time of writing) they will pay only $79 for ownership of the facilities it would now cost us $300 and more to build! This is most discouraging — especially when so many people assume that steel companies are making enormous profits and paying tremendous dividends.

While there is no doubt that our company can raise capital funds through the sale of common stock, we have found it more advantageous either to borrow the money and pay it back out of future earnings or to use a portion of current earnings. And we have followed both courses. Last year, for example, we borrowed 300 million dollars. But mostly we get this new capital for expansion and modernization by ploughing back into the business about half of our earnings. Some of our owners aren't convinced that this is the best policy, and often we have been advised to meet rising costs (and to pay more equitable dividends) by simply adding a few more dollars to the price the customer must pay for steel.

Those who make that suggestion evidently imagine that we can and do operate exclusively on a cost-plus basis. They seem totally unaware of the fact that, in a free economy, competition for customers insures not only the best possible product but also the lowest possible price. And even after that, the final fact remains that the customer can't be forced to pay anything at all! In a free economy, the customer is still king.

So it is understandable why the one to whom we devote most of our thought and effort is the customer. Under normal conditions in a competitive market, the customer would laugh in our faces if we went to him with our problems and suggested that we do business on a straight cost-plus basis. If we did, he would probably tell us the old story of the three friends who met in wartime Washington and decided to have dinner together. When the check came, one man reached for it with this explanation: "Since I can deduct this for tax purposes as a business expense, it will actually cost me only about 20 per cent of the total." But the second man grabbed it from him and said: "Let me pay it since I'm a salesman on an expense account and it won't cost me anything at all." Then the third man grabbed the check from the second man and carried the day with this announcement: "I'm a manufacturer with a cost-plus contract from the government. If I pay this bill, I'll get my money back — plus 10 per cent!"

Our customer has problems of his own, and he's just not inter-

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ested in hearing ours. All he is interested in hearing from us is our asking price for the steel he wants — delivered when and where he wants it. If he doesn't like our price or service, we lose a customer to our competitors. And the fact of the matter is that we do not enjoy losing customers.

So WHEN we think about prices for our products, we must consider all of these problems I have listed. We naturally give much thought to the reaction of the general public since, understandably, they have considerable interest in the activities of such a basic industry as steel. And, admittedly, we have no choice but to take a look toward Washington and see what Congress is going to do about taxes, controls, investigations, inflation and other real political problems which all businessmen must consider today. Obviously we try to guess what the union leaders have up their sleeves for our next meeting. We also keep a close watch on the price, quality and service our competitors are offering. And since the stockholders own the business and can fire us if they wish, we do the best for them we can. Then we reach for our crystal ball and take a thoughtful look at both the domestic and foreign markets and the state of the world in general. After all those facts and figures and guesses have been digested, we finally ask ourselves this all-important question: Will the customer buy our products at the prices we have in mind?

For various reasons in the past, the answer to that question has sometimes been "no." And we have had no choice but to reduce the price to what the customer would pay under competitive conditions — even if it meant a loss to us, which it sometimes did. If at all possible, we would prefer to keep our prices below the maximum the customer might be willing to pay. That is only good business, because as long as he knows he's getting a bargain, he'll be back for more.

In the free and competitive market which characterizes our economy — except, of course, when the government interferes — a price is perfect when the producer would rather have the money than the product, and when the consumer would rather have the product than the money. A perfect price is established when the seller and the buyer each improves his welfare by the trade. I am of the opinion that given a free and competitive market — with government confined to its proper role of protecting equally the life, liberty and property of its citizens — all prices for all products would be about as perfect as fallible human beings are capable of making them.

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NEWS FROM IRVINGTON

Charles Hull Wolfe

IF COLUMNS could talk, this one would start out with: "Greetings! I'm a new feature! Every month I'm going to scoop up some news about what's going on at the Foundation for Economic Education."

The Foundation does a lot of things besides putting out a journal. It has quite a staff — ex-professors, former businessmen, a clergyman — and they're all busy in a variety of activities calculated to promote the idea of a free society. Each month "News From Irvington" will keep you posted on their doings.

Harper's Swedish Trip

At year's end, one of the big events at FEE was the return of Dr. F. A. "Baldy"* Harper from his trip to Sweden, where he conducted a firsthand study of Swedish socialism.

He entered Sweden at Halsingborg, port city at the country's southern tip, and traveled by bus to Stockholm which became his home base for eleven weeks.

One thing that motivated the trip, "Baldy" explains, was the prevalent notion here in the United States that "socialism can work wonders — look what it's done in Sweden" — so he set out to discover, as impartially and objectively as possible, just what socialism *had* done in Sweden.

Dr. Harper describes his "procedure" this way: "I guarded against becoming embroiled in the pleasantries of the smorgasbord circuit by working as inconspicuously as possible for a time." He wanted to reduce to a minimum his exposure to mere personal opinions on the subject, so he first went about getting straight factual information.

"Baldy" points out this was fortunate for several reasons. "For one thing, it protected me from absorbing many prevailing impressions that now seem contrary to the facts — impressions which are always difficult to unlearn later."

Right now Dr. Harper is work-

* The "Baldy" in this case does not describe a current condition but stems from an observation by college classmates that Floyd Harper's hair was less luxuriant than that of his older brother.

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ing on an extended analysis from which he will derive final conclusions. Meanwhile, though, we can give you this sneak preview in his words: "The fruits of socialism in Sweden are, I fear, near the point of bitter harvest. However, I would not attempt to predict the date of a collapse."

College-Business Program

Dr. W. M. "Charley"** Curtiss has just announced that Business Fellowships will again be available in the 1956 College-Business Exchange Program. And there are already signs, he says, that more professors will apply than ever before.

"Charley" explains the program in an official announcement which is now being sent to American businesses:

"Since World War Two an increasing number of business firms have made it possible for college professors of economics, business and related fields to spend a few weeks with them during the summer and discover what goes on in the business world.

"Many of the educators in our colleges and universities have moved directly from their undergraduate and graduate studies into the teaching profession. Each of these teachers may influence thousands of students, many of whom are destined to become leaders in business and government.

"Such teachers need more than a textbook knowledge of the business world. To help solve this problem, the College-Business Exchange Program was set up in 1948 with nine professors in six business firms. During each of the last four summers, more than 100 professors have devoted six weeks to an on-the-spot study of a business firm.

"More business firms are needed to meet the requests from professors. In 1955, nearly 500 applications were received from teachers, but there were only 108 openings.

"Business men, generally, have been highly pleased with their experience with teachers. One manufacturer covered most of the benefits when he said:

> "We have received very valuable ideas from our candidates during the visits and from reports which each has submitted. We feel these fellowships develop a better understanding between colleges and the business leaders. We also feel that the presence of these Fellows tends to spark our own executive group."

Businessmen who want to find out more about the program, in considering whether they want to participate, should write to Dr. W. M. Curtiss, The Foundation for Economic Education, Irvington-on-Hudson, New York.

** The "Charley" is the fore part of a charley horse developed in a high school basketball game.

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Two Points Of View

Edmund A. Opitz

The author, for nine years a parish minister, formerly directed the conference program for Spiritual Mobilization, and in that capacity held a number of two-day seminars for clergymen and laymen designed to promote a better understanding of the libertarian philosophy. Similar questions recurred at many of these conferences, and experience suggested ways of clearing up certain persistent misunderstandings. The following dialogue is a reconstruction of many conversations. Mr. Opitz is now a member of the staff of the Foundation for Economic Education.

A: I am in favor of private enterprise — wherever it can do the job — and I am as much opposed as you are to big government. But I am more opposed to poor housing, poor medical care, unemployment and other social evils. These evils are so pressing that I am willing to risk the dangers of big government to overcome them.

B: I am in full sympathy with your desire to rid society of the evils you mention, so let's talk then about your suggested method: relying on the instrumentality of government as a means of getting better housing, better medical care and full employment.

A: Please remember that I do not favor strengthening the power of government for its own sake. I would much prefer that private enterprise provide the necessary housing, medical care and so on. But let's face the fact that private enterprise is not adequately providing these services for large numbers of people.

For example, I'm thinking of what was once a bad slum in Chicago. Private enterprise had every opportunity to clear that slum and erect decent dwellings on the site. But it did not do so. That would have been my first choice as a remedy for that evil condition. My second choice would have been for the local government to take care of that situation, and my third choice would have been the state government. But none of these agencies did anything, so the federal government stepped in, and now we have large apartment houses where once there were slums.

B: You said that private enterprise failed to do the job. What do

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you mean by private enterprise?

A: I mean private investors who would supply the funds and private builders who would do the building, both groups having an eye for profits. The prospect of profits looked slim, so both groups selfishly failed to act.

B: In other words, when you speak of private enterprise, you have in mind a contractor in business for himself who would be hired by other private individuals for this slum clearance job. And the spark that sets in motion this chain of events is the decision of individuals that the best way to employ their time, skills and money is to clear a slum and build an apartment house.

A: That is what might have happened, but it didn't happen, so the government stepped in.

B: Take these investors who would prefer to use their money in some other way than you might prescribe. Who are they?

A: Banks or insurance companies, most likely.

B: Do you have a bank account and carry insurance?

A: Yes, I have both.

B: Do you expect interest on your money, or dividends from your insurance policies?

A: Yes, of course.

B: How is it possible for a bank to pay you interest, or an insurance company to pay you dividends?

A: That's easy. My money is pooled with the money of others and is then loaned to people who will pay for the use of it.

B: Suppose your bank loaned your money to people who used it unwisely and could not repay it.

A: I'd raise a big howl, naturally.

B: Of course you would. But the only way your banker can show a legitimate return on your money is to loan it to people who can make productive use of it. This means to use it profitably in satisfying the most urgent needs of the consuming public.

So when you say that private enterprise did not replace slum dwellings with an apartment house, you are saying that the people hired by you to manage your money did not think it profitable to invest it in a housing project.

A: That sounds plausible.

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B: Let me put the matter another way. There is no such entity as "private enterprise"; it is not a small, clearly identifiable group of people. What we call "private enterprise" is simply the result of uncoerced decisions on the part of millions of people as to how they might best use their energies, skills, time and money. So when you say that private enterprise had an opportunity to clear a slum and did not do it, you are merely saying that individuals of their own volition had decided to use their energies in other directions. Now if you feel that people are mistaken and foolish in their decisions, you have a right to try to persuade them to do differently.

A: That process is too slow. We'd never get the slum cleared if we waited until people had been educated to recognize their responsibilities.

B: When you act on the idea that you know what is best for other people, that you know what are wise decisions for them to make, you are building up a dangerous frame of mind in yourself.

A: I don't see that it is dangerous. What do you mean?

B: It is dangerous in three respects. In the first place, the lust for power over the lives of others is spiritually disastrous. Trying to run other people's lives is harmful to you. Secondly, resentment piles up in the people you are trying to control; they don't like being pushed around and would rather make mistakes, provided they are their own mistakes, than achieve successes, if they are your successes. They feel that a precious part of them is being violated. Thirdly, when the energy of people is at your disposal, they have been made into your creatures. According to the religion you profess, men are creatures of God. If this is so, then your effort to make them your creatures means that you are trying to play God to them.

A: You have me wrong! *I* don't want to run anybody's life for him, and I think I agree with everything you say about the evils of trying to do so. All I have in mind is that the needs of the community shall be paramount over the selfish desires of individuals.

B: Does the community have needs which are separate and different from the needs and desires of the people who compose it?

A: No, what I meant to say was that people should not be allowed to build such things as movie theaters, ball parks, saloons or beauty

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parlors until the demand for good housing is met.

B: We are now back on the point you raised earlier: People should not be allowed to spend their money or invest their energy as they might choose, but rather, as you want them to do.

A: Not as *I* want, but as society wants. Don't you understand?

B: I understand this much, that some people are going to make other people do something against their wills, and that you approve and advocate such a system.

A: It is not that I approve of this necessity, or advocate it. I merely face the harsh fact that this is the way people are; they won't take care of themselves, they waste their resources on cheap entertainment, and some of them drink and gamble.

Now I personally do not want to run the lives of other people; goodness knows I have enough trouble with my own. All I am saying is that the majority wants good housing and has the instrument of government through which it can get good housing. You say that some people will make other people do things against their wills. But if a majority wants to achieve a social end by means of political action, isn't that all right? This is still a democracy where a majority has some rights, isn't it?

B: Permit me to retrace one or two of our steps. I am only interested in providing an accurate translation of the words you use, so that we may better understand what it is we are deciding. Thus, when you said that private enterprise refused to do what you thought it ought to do, we agreed that this meant that people would not voluntarily consent to do what you wanted them to do. Then, when you suggest as a remedy for this situation that the government step in, the translation reads, "You people had your opportunity to do this thing voluntarily, and you didn't take it — so we're going to *make* you do it whether you want to or not!" You seek to take the curse off this by making it appear to be the will of the majority and by using government to implement your will. I should like to put a few questions to you on this. First, let me ask how you feel about preventing a man from following the dictates of his own will and conscience and forcing him to do your bidding — assuming that the man is not injuring anyone.

A: It would be wrong for me to do that. I would be violating the moral law.

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B: I am glad to hear you put it in terms of moral law. If you declare that it is wrong for you to attempt to dictate another's life for him, do you believe that the moral law abdicates when you are joined by a majority to run someone's life?

A: I don't believe that the moral law abdicates, but neither do I think it right that a majority should be thwarted in its will.

B: It is not likely that a majority will be prevented from having its way, because it has the power to achieve it by force. But, can a majority repeal the moral law?

A: Why no, of course not.

B: Then you contradict your earlier statement that the majority should not be thwarted in its will. A majority has no right to do wrong.

Right and wrong, if they have any real meaning at all, have a meaning independent of numbers. If it is wrong for you to control another's life, it is equally wrong for a majority to do it. Under our form of government, and also in our culture patterns, it is unconstitutional as well as immoral for majorities to tamper with your religion or deprive you of your right of assembly, petition and so on.

A: I agree with you about majorities. But how about government? Isn't government the instrument of all the people for the attainment of certain social goals?

B: To be consistent, I must argue that anything which is wrong for us to do is equally wrong for governments to do. The same moral law binds both. Government is composed of men, and it is a social agency amenable to our wills; therefore its actions are judged by the same criteria that you recognize as binding upon yourself. This means that when government forces some people to clear a slum and build an apartment, though they would rather spend their energies building a ball park or a factory or a church, it is violating the same moral law that you would violate if you personally secured the same result with gun in hand.

A: I get your point, but let me ask you a question. Are there no social goals which people can attain through the instrumentality of their government without violating the moral law?

B: Whenever government grants a special privilege or grants a subsidy, there is a seeming benefit conferred upon some people — but this seeming benefit is always at the expense of someone else. Every-

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body pays into the tax pool, but only the political favorites take out of the pool more than they put in. As another example, some industries have obtained tariffs which spared them the competition of foreign manufacturers. These industries were thus able to force the citizens of this country to pay more for the things they buy, or do without them. To put the matter as a generalization: Government has the power to confer economic privilege; and because government has no economic goods of its own, the privilege conferred upon some must be at the expense of others.

But a government which does this cannot be a government of equal justice for all — a concept which is part of the American dream.

A: What you are saying, as I understand it, is that the moment government does more than protect individual rights, it invades them.

B: Correct. There is no neat set of answers to social questions, nor to any other questions. Human beings are not in possession of ultimate truth. The collectivists, however, seem to feel that they have captured truth for their side. That accounts for their willingness to back their convictions with force. True, they don't force others to recite their creed, but the only way that government can carry out the program they advocate is by using force on people.

We create troubles when we conceal reality from ourselves by the words we use. There are not many evil men who enjoy using violence on people, but there are millions who do not know that they are actually advocating violence when they recommend a certain course of action.

A: Perhaps I am among the guilty ones. I just hated to see people living under those dreadful slum conditions, and I wanted those conditions corrected.

B: Every man of good will is in agreement with your aim of clearing up bad housing conditions. But you ought to apply two tests to your remedy. We have been examining the first test: Does the application of the remedy violate the moral law? Any remedy that seeks to help some people by actually hurting other people, is a violation of the moral law. The second test is a practical one: Is the remedy the most efficient one that can be found? To seek a remedy by political action is to employ violence as a stimulant to action, rather than some other motivation, such as the desire to help one's fellows, or the desire to profit.

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Contented Slavery

Ralph Bradford

And the tragic fact of the needless war
Was this: that many and many a one
Of those whose fate was battled for
Gave little heed to what was done....

Dis wah ain't foughten fo' sech as we.
De Yankees can keep dey guns and mortars.
Folks at de Big House live right royal,
But us git cabins, an' us git fed—
Dey treats us good and us stays loyal.
Us got pretty easy sailin';
Ole Marse Billy, he buy we's bed
An' pay for de shingles over we's head;
Old Miss doctor us when we's ailin',
An' de fambly bury us when we's dead.
We ain't need nobody to save us,
Us is fightin' with Gineral Lee,
With Gineral Lee and Mistuh Davis—
Whut dis talk about settin' us free?

The tragic voice of contented slavery!
Of all the evils man-invented,
Beyond the depths of conscious knavery,
Beyond the limits of belief,
It is the truth, to mankind's grief,
That slavery can be contented!

The slave cries out when he is sold
Down river, or his back is scarred
With lashes; but when he is told
That safety minus risk is offered,
He does not see that chains are proffered,
Or know he enters a prison yard.

And bondage is not always a chain,
Nor a prison pen, nor an auction block;
It is not always labor and pain—
It may be privilege, comfort and ease,
That hide the shackles he never sees
And fasten the slave with a gilded lock!

Editor's Note: Leonard Read's "Why Is Slavery Possible?" in the November 1955 issue of IDEAS ON LIBERTY seemed to Ralph Bradford, well known writer and business organization official, to resemble his own poetic analysis of the question. The foregoing lines are from his book, *Heritage* (Washington, D.C.: Judd & Detweiler, 1950. $3.50). Reprints of this poem are available for one cent each.

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Of Bread And Circuses

Ben Moreell

A twentieth-century repetition of the mistakes of ancient Rome would be inexcusable

ROME WAS eight and a half centuries old when the poet, Juvenal, penned his famous tirade against his degenerate countrymen. About 100 A.D. he wrote: "Now that no one buys our votes, the public has long since cast off its cares; the people that once bestowed commands, consulships, legions and all else, now meddles no more and longs eagerly for just two things, bread and circuses."* Forty years later, the Roman historian, Fronto, echoed the charge in more prosaic language: "The Roman people is absorbed by two things above all others, its food supplies and its shows."**

Here was a once-proud people, whose government had been their servant, who had finally succumbed to the blandishments of clever political adventurers. They had gradually relinquished their sovereignty to government administrators to whom they had granted absolute powers, in return for food and entertainment. And the surprising thing about this insidious progression is that, at the time, few realized that they were witnessing the slow destruction of a people by a corruption that would eventually transmute a nation of self-reliant, courageous, sovereign individuals into a mob, dependent upon their government for the means of sustaining life.

There are no precise records that describe the feelings of those for whom the poet, Juvenal, felt such scorn. But using the clues we have, and judging by our own experience, we can make a good guess as to what the prevailing sentiments of the Roman populace were. If we were able to take a poll of public opinion of first and second century Rome, the overwhelming response would probably have been — "We never had it so good." Those who lived on "public assistance" and in subsidized rent-free or low-rent dwellings would certainly have assured us that now, at last, they

* Carcopino, *Daily Life in Roman Times* (New Haven, Yale University Press, 1940), p. 202.
** *Ibid.*

Admiral Moreell is Chairman of the Board, Jones & Laughlin Steel Corporation.

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had "security." Those in the rapidly expanding bureaucracy — one of the most efficient civil services the world has ever seen — would have told us that now government had a "conscience" and was using its vast resources to guarantee the "welfare" of all of its citizens; that the civil service gave them job security and retirement benefits; and that the best job was a government job! Progressive members of the business community would have said that business had never been so good, that the government was their largest customer, which assured them a dependable market, and that the government was inflating currency at about 2 per cent a year, which instilled confidence and gave everyone a sense of well-being and prosperity.

And no doubt the farmers were well pleased too. They supplied the grain, the pork and the olive oil, at or above parity prices, for the government's doles.

The government had a continuous program of large-scale public works which were said to stimulate the economy, provide jobs and promote the general welfare, and which appealed to the national pride.

The high tax rates required by the subsidies discouraged the entrepreneur with risk capital which, in turn, favored the well-established, complacently prosperous businessman. It appears that there was no serious objection to this by any of the groups affected. An economic historian, writing of business conditions at this period, says, "The chief object of economic activity was to assure the individual, or his family, a placid and inactive life on a safe, if moderate, income. . . . There were no technical improvements in industry after the early part of the second century." There was no incentive to venture. Inventions began to dry up because no one could reasonably expect to make a profit out of them.

ROME was sacked by Alaric and his Goths in 410 A.D. But long before the barbarian invasions, Rome was a hollow shell of the once noble Republic. Its real grandeur was gone and its people were demoralized. Most of the old forms and institutions remained. But a people whose horizons were limited by bread and circuses had destroyed the spirit while paying lip service to the letter of their once hallowed traditions.

The fall of Rome affords a pertinent illustration of the observation by the late President Lowell of Harvard University that "no society is ever murdered — it commits suicide."

I do not imply that bread and circuses are evil things in themselves. Man needs material suste-

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nance and he needs recreation. These needs are so basic that they come within the purview of every religion. In every religion there is a harvest festival of thanksgiving for good crops. And as for recreation, we need only recall that our word "holiday" was originally "holy day," a day of religious observance. In fact, the circuses and games of old Rome were religious in origin. The evil was not in bread and circuses, per se, but in the willingness of the people to sell their rights as free men for full bellies and the excitement of the games which would serve to distract them from the other human hungers which bread and circuses can never appease. The moral decay of the people was not caused by the doles and the games. These merely provided a measure of their degradation. Things that were originally good had become perverted and, as Shakespeare reminds us, "Lilies that fester smell far worse than weeds."

MORE THAN fifty years ago, the great historian of Rome, Theodore Mommsen, came to our country on a visit. At a reception in his honor, someone asked him, "Mr. Mommsen, what do you think of our country?" The great scholar replied, "With two thousand years of European experience before your eyes, you have repeated every one of Europe's mistakes. I have no further interest in you."

One wonders what Mommsen would say today in the light of the increasingly rapid destruction of our traditional values during the past 25 years.

Many of our people have been converted to the idea that liberty has been tried and found wanting, just as many believe that Christianity has been tried and found wanting. They do not know that what has been found wanting is not the true values of liberty and religion but only perversions, worthless counterfeits. So when we urge upon them those true values, they shy away. They have been fooled before, so they want to try something which they think is "new."

How far have we departed from our traditional values? There is no mystery here. It is well known that the basic policies of the two major political parties with respect to the intrusion of the State into the economic and social lives of the people differ only in degree and method. There is no discernible difference in fundamental principle. Prominent political figures of both parties pay lip service to the letter of our Declaration of Independence and Constitution, while they violate the spirit.

The proponents of an all-powerful centralized government have

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erected a bureaucratic colossus which imposes upon our people controls, regimentation, punitive taxation and subsidies to pressure groups, thus paralleling the "organized mendicancy, subvention, bureaucracy and centralization" which played so great a part in the downfall of Rome!

We are demoralized by an indecent competition. Each one denounces government handouts and privileges *for the other fellow* — but maintains that *his* special privilege is for the "general welfare." The slogan of many of us seems to be, "Beat the other fellow to the draw"— i.e., "draw out of the public treasury more than you put in, before someone else gets it."

I am no prophet of inevitable doom. On the contrary, I am sounding an alarm that disaster lies ahead unless present danger signals are heeded.

WHAT SPECIFIC STEPS should we take? I believe that neither I nor anyone else, no matter how exalted his position, can determine for 165 million people their day-to-day economic and social decisions concerning such matters as wages, prices, production, associations and others. So I propose that these decisions, and the problems connected therewith, be returned to the people themselves. This could be done in four steps, as follows:

First — Let us stop this headlong rush toward collectivism. Let there be no more special privileges for employers, employees, farmers, businessmen or any other groups. This is the easiest step of all. We need only refrain from passing more socialistic laws.

Second — Let us undertake at once an orderly demobilization of many of the existing powers of government by the progressive repeal of those socialistic laws which we already have. This will be a very difficult step because every pressure group in the nation will fight to retain its subsidies, monopoly privileges and protection. But if freedom is to live, all special privileges must go!

Third — Of the powers that remain in government, let us return as many as possible to the states. For on the local level, the people will be able to apply more critical scrutiny to the acts of their government agents.

Fourth — Above all, let us resolve that never again will we yield to the seduction of the government panderer who comes among us offering "bread and circuses," paid for with our own money, in return for our sovereign rights!

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Why Pay For Things?

F. A. Harper

"WHY DO WE have to pay for things?" asked a five-year-old boy at dinner one evening. Probably his question was prompted by the suffering of privation endured by all small boys, with their many wants to be served by few pennies. If unrestrained by either force or understanding, this condition can easily lead to theft.

This simple question caught father with his sheepskin up in the attic. So as a stall for time, the question was referred to an older sister who was a college student. Since she had never had a course in economics, it seemed safe to predict that she would fumble it for a few minutes.

She first asked how else it would be decided who should have things. And then she explained two choices — theft or payment for things — briefly but clearly. This approach struck me as an excellent alternative to either the rod or parental mandates by which children might be taught to respect the property of others. The argument, in amplified form, follows.

How might it be decided who gets what? There are not enough things to go around, you know. There never will be enough. We always want more things than there are to be had. Who will go without? Who will get what there is?

One way to do it would be for everyone to grab what he can. That is the way things tended to be done once, long before we were born. Under that way of doing things in its pure form, people fight over what little there is to be had. The man who works hard to get some food must either eat it at once or fight all the time to keep it. Nobody heeds his plea, that it is his because he worked to get it.

When things are done that way, you would not really own anything. You would just have it, and anyone could have it who could take it away from you. A boy's bicycle, for instance, would not really be his. Any bully could take it away from him; a bigger bully could take it away from the first thief, and so forth. People would lie and do all sorts of mean tricks to get things away from one another. The strongest and meanest and worst persons would get more and more

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things, so that most everyone would become meaner and meaner. Unless they did, they would have to go without things. They would have to be mean and physically strong, or die — under a system like that.

Who gets the bloody noses and broken heads under that system? Mostly it is the little folks, of course, if they have anything anybody else wants and if they try to keep it. The old persons suffer, too, as do the crippled and the sick.

THE OTHER WAY to decide who gets what is for each person to own things. That is the system we have, generally. You own what you make. No bully has any right to it simply because he is big enough or mean enough to take it away from you. If he does take it, we say that it is still yours and he should return it to you.

Under this system, the person who makes anything may sell it or give it to other people. If as a small boy you had been given a bicycle, or had bought a toy ship, for instance, these are yours until you want to give them away or sell them. When they are sold, somebody must pay to get them.

That is why we have to pay for things. It is because we consider things to be owned by each person instead of belonging to nobody. If you want something you have not produced, and which has not been given to you, you must pay for it. The only other way to get it would be to steal it, which is the other system. People don't have to pay for things under the other system, but many starve because there are so few things produced.

It is normal for little boys, who want many things and don't have much money, to wonder why they should have to pay for things they want. But if we operated our affairs the other way and fought over things rather than owning them, little folks wouldn't have much of a chance of ever getting a bicycle at all.

The system whereby each person owns things — which means you have to pay for things you want — is really the cheapest and best police force in the world, in addition to being the only system that will defend the weak and the infirm. If we would all conduct ourselves by that rule, we would need no policemen at all because everybody would be serving as a policeman over himself. He then serves without pay. He can spend all his time producing things and enjoying life in whatever way seems best.

That answer to the question of why we have to pay for things, expressed in terms a five-year-old could understand, seemed to leave little more to be said.

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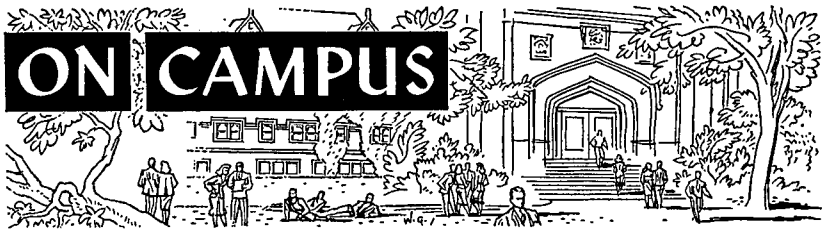

The Foundation is keenly aware of the tremendous molding and shaping power exerted on youth by America's schools and colleges.

FEE also recognizes that for many years our institutions generally have been teaching the "liberal" philosophy — the notion that the traditional American ways are outmoded, and that the State must increasingly regulate business and provide for individual welfare.

We will never change the present course of America's history, lead it away from statism and toward individualism, until more and more teachers and students begin to understand libertarian ideas.

With this goal in mind, FEE proceeds with its high school and college programs — its cooperation with the Intercollegiate Society of Individualists, the creation of Study Guides, the preparation of High School and College Debating Material, and the Foundation's College-Business Exchange Program.

HIGH SCHOOL (Livingston, Mont.): If gift subscriptions are still available, I would like very much to receive THE FREEMAN magazine. . . . I am a high school senior who won't swallow a lot of the bunk which so easily impresses so many youths and elders alike. . . . CLAIR DANIELS

PURDUE UNIVERSITY (W. Lafayette, Ind.): As a graduate teaching assistant helping with our debate squad, I hope to assist the negative team of the GAW which will be a strong (I hope) step for developing libertarian ideas with these students. DONALD ALLEN WAITE, *faculty*

TUFTS COLLEGE (Medford, Mass.): In the meeting with Cambridge University, Tufts debated the negative on the topic, Resolved: That modern society enjoys the greatest benefits under a planned economy. . . . After pointing out that the countries in which economic planning has been carried to the extreme are the very countries in which political liberties have been ruthlessly suppressed, we went on to the obvious disadvantages of such a system: wants are not fulfilled . . . the individual is forced to consume what the planners determine he ought to consume . . . complete concentration of power in the hands of a few men . . . total economic control and probable direction of labor via decree. . . . WILLIAM C. STERLING, JR.

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The Philosophy Of Reading

Ralph M. Besse

The Executive Vice-President of the Cleveland Electric Illuminating Company finds time both for serious reading and for writing

FRANKLIN D. ROOSEVELT, while President, called on Justice Holmes one evening. Mrs. Holmes told the President that the Justice would be glad to see him, although it was interfering with the Justice's reading program. Roosevelt, when ushered into the room, said to Holmes, who was then past ninety, "Mr. Justice, why do you work so hard at this reading business?" Holmes replied, "I know of no other way to improve my mind!"

Holmes had recognized a number of things in that sage remark. One is that education is a continuous process. You don't "become educated" at college. You are merely prepared for an education. To be an educated person you must study continuously as long as you live, and Holmes knew that.

The second thing Holmes recognized was that to achieve mental improvement, you have to do it yourself! Essentially, nobody else can educate *you*. And that holds whether you're learning the characteristics of Chaucerian style or the rudiments of the free market economy.

While reading is admittedly indispensable to the self-improvement process, relatively few of us find the time to do much serious reading.

The Research Institute of America made a poll of executive reading habits. I think the 5.4 per cent who refused to say what they read can safely be classified as people who read practically nothing.

Again, 4.6 per cent *admitted* they read nothing. That makes a total of 10 per cent who did not read. Further, 21 per cent read only one to six books a year, and 23.6 per cent from seven to twelve books yearly. That makes a total of almost 60 per cent who read twelve or fewer books per year.

Why don't people read more? "Because I don't have the time!" That is far and away the major reason given.

THERE ARE TWO WAYS to find time to read. First, you must create the desire to read. Second, you must adopt some simple techniques to help establish the reading habit.

During the war years I dropped

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book and heavy magazine reading and spent most of my time with newspapers — to keep pace, I reasoned, with history in the making. That sounded like a logical decision, and I got almost completely out of the habit of reading books for three or four years.

Then suddenly it occurred to me that I wasn't learning much from newspapers, and not a great deal more from current news magazines — that is, not much of lasting value. So in spite of radios, three children and a television set, I concluded I had to go back to some serious kind of reading.

To encourage your own desire to read, you should be aware that two of the most important creators of interest are the things you feel responsible for and the things you get credit for doing. Hence, initial reading programs should be directed at something you like, that will help in your job, something which will bring you recognition, or that is related to things you feel responsible for. And those things for which you feel responsible can range all the way from your own home to aiding in the preservation of individual freedom in America.

Now, how do you actually get started reading? What are some simple techniques? First, you should realize that serious reading takes less time than many persons imagine. If you spend just 15 minutes a day, reading at the average rate of 300 words a minute, you will read a million and a half words a year — or an average of 20 books! But, of course, you have to devote these 15 minutes *every* day.

Sir William Osler, who was one of the greatest medical teachers of all times, did exactly that. He would take 20 minutes each day, as I recall, and he became one of the best-read doctors in the United States. I guess he cheated on the long side and would sometimes read much longer than that — but the core of his reading was a 20-minute schedule, either just before he got up in the morning or just before he went to bed at night.

Another step is to make a time chart of your day. Find out what you do with your time. Most people don't know. Once you have found what your time-schedule is — once you have charted it — you can begin planning, and very likely you will find additional moments for reading.

Also, you will learn that you can read at almost any time, and in almost any place — even in the bathroom. I have read in the bathroom for years. I just finished reading Herman Melville's great *Moby Dick* in the bathroom. I had wanted to read that book for a long time, and that's how I did it!

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ANOTHER SUGGESTION. Read on the way to work. When I come to work on the Rapid Transit, I see many people sitting in their seats either dozing or looking idly out the window. They could be using that time to great personal advantage — reading a good book.

Newton D. Baker was an unusually well-read man. He was also a busy man — busy enough to have been Mayor of Cleveland and Secretary of War during World War I. He also founded a law firm and did much public speaking. But in spite of that kind of busy life, Newton D. Baker had read literally thousands of books. Asked how he did it, Baker replied: "I just fill in the little fence corners of my time reading."

By that he meant, he always had something at hand to read; and whenever he had time — even five or ten unexpected minutes — he would pull the material out of his pocket or brief case or off his desk and begin to read. So always carry a book or serious magazine with you — or keep one handy. If not in your pocket, then perhaps in your brief case or traveling bag or somewhere in your automobile — and certainly on a shelf or bedside table at home, and next to your favorite easy chair.

Another technique I find helpful is to read more than one book at a time. I read from eight to ten books at a time, for the reason that I'm not always in the same mood. Some evenings I will sit down fresh and vigorous and want to read something in science or nature or politics. Another time I may be tired and prefer something a little lighter. So I try to keep a variety of books on the move.

To really get started on such an extensive reading program, your own personal philosophy must have led you to certain deep convictions. Very likely you believe that education — especially *self*-education — is a good thing. Probably you want to assume your responsibility for good citizenship — you want to be a good citizen, wholly aside from your job or other personal responsibilities. And probably you want to improve your job performance, whether you're a mother and homemaker, or a corporation executive.

These three things have one point in common — all require *learning*. Now, there are only three ways to learn:

1. From others
2. By thinking things out yourself
3. By experience.

I wouldn't discount the value of experience, but it is a very slow way of getting a really broad education. Thinking things out for oneself is even a better way — to the extent that we do it. But the quickest and most effective way is

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to learn from others — from the experience and thinking of millions of people over hundreds of years.

You can learn from others either by reading, by taking instruction, or by observation — or by a combination of these. But there is relatively little opportunity for observation, and not enough time for continued personal instruction. So that brings us back to reading as the most valuable learning method.

READING is actually the key to learning. Why? To put it briefly, because it is the most complete, most available, cheapest, quickest and most current source of learning! Further, it is a system of multiple learning — you learn more than one thing from good reading. And it is a method of continuous personal training for self-improvement.

First, reading is the *most complete* source of learning. Francis Bacon observed that "reading maketh a full man," and Thomas Carlyle said:

> "All that mankind has done, thought, gained or been: it is lying as in magic preservation in the pages of books."

There is no knowledge, practically speaking, that is not recorded some place in writing. The whole realm of knowledge known to man is written out — with very few exceptions.

I have also said that reading is the *most available* source of learning. This scarcely needs proof. We can have magazines and other good literature routed directly to our desks or homes. We can buy it in almost any city block. We can borrow it from company or public libraries. It is readily at hand.

Further, reading is the *cheapest* source of learning. Almost all reading matter is available without any direct cost whatsoever — at a library. And even reading material that is inconvenient to borrow need not be expensive.

Again, reading is the *quickest* source of learning. Certainly it is far faster than formal instruction, experience, observation or thinking things out. Remember, the work of a lifetime is often recorded in a single book.

Also, reading is the *most current* source of learning. Change is a major characteristic of our day. If we are to be effective, we must keep pace with change. Many things we learned in college may no longer apply. We can't keep going back to school — but we *can* read!

I also observed that reading is a system of multiple learning. In reading a single book we are apt to derive several different values. We learn the author's viewpoint or perspective, his analysis. We get sheer information or knowledge.

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We learn vocabulary. We can acquire a better form of expression by studying a good writer's style. And often we get entertainment value, too.

FINALLY, reading is a method of continuous personal training for *self-improvement.* It constantly challenges your thinking processes and so can train you in good habits of thinking. It provides the discipline for gaining new fields of knowledge. Reading allows you to train yourself. And this self-training becomes easier the more you read. Each broad field of knowledge you add to your store helps in other fields of knowledge. As Alfred North Whitehead put it:

> ". . . The more you know, the easier it is to add to your knowledge."

Having touched on the merits of reading and the techniques of going about it, we naturally come to the question: What shall I read? The answer varies greatly from person to person, but here are some comments that may have broad application:

Newspapers. There is some opinion among great minds that newspapers are a waste of time! Justice Holmes thought that, and certainly the word-by-word reading of the average daily paper is not justified. These papers should be skimmed. This is the place for speed reading—with a great deal of skipping. But do not skip the editorials; they should be the most important part of a local newspaper.

Magazines. Here, generally, is a higher grade of writing. Newspaper reporting rarely permits the kind of investigation possible in magazine writing. A specialty magazine is certainly a must. If, for example, your specialty is business management, you are apt to find the *Harvard Business Review* invaluable. Or if you are eager to learn more about the libertarian philosophy of private property, free market and limited government, very likely you will read THE FREEMAN.

Miscellaneous Publications. A check at your library will reveal there are a great many of these. One type is the "economic letter." Some of the banks put these out — such as The Federal Reserve Bank of Cleveland, The Cleveland Trust Company and The National City Bank of New York. In the field of economics and government, a great many excellent pamphlets, booklets and articles are available from the Foundation for Economic Education, Irvington-on-Hudson, New York.

Books. Books present the finest of all reading opportunities. The greatest thinking of the finest minds, the finest expression of the greatest writers and the most pro-

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found learning of qualified experts in every field and every age is available in books.

Everyone must decide for himself what books he should read; but in the selection of books by subject matter, there is an old adage that is well to keep in mind:

"Shallow minds are concerned with people. Average minds are concerned with events. Great minds are concerned with ideas."

More specifically, here are some pointers on book selection:

1. Don't hesitate to reread the very good books.
2. Don't hesitate to read only a part of a book — if only a part serves your purpose.
3. Try to read only the *best* books.
4. Don't hesitate to read a cheap paper-backed edition of a good book.
5. Don't be afraid of any subject merely because it is published in a book. Justice Holmes said: "It is absurd to be afraid of any book."

AND NOW, let me conclude with some observations on *how to read.* Read with a definite purpose — according to a plan. Get acquainted with a book before you read it; take a few moments to investigate before you spend a few hours reading. Evaluate what you read — learn to reflect, analyze, challenge, as well as understand.

Keep an open mind as you read; don't limit your reading to what you already know and believe. Study vocabulary as you read — learn more words and the exact meaning of words. Study phrases as well as single words, and learn to avoid clichés. As you read, concentrate. Keep searching for ideas.

Finally, talk about what you are reading. People will listen to what you have to say about the books you are reading. At the same time, talking about books you're reading helps fix the ideas in your own mind and sharpens your ability to analyze the opinions of others.

Ideas That Will Awaken You

REGARDLESS of what you are going to be or do in later life, the thing that really matters when you go to college is to meet with a great teacher or a great book and to encounter ideas that will awaken you. It is in this way alone that you can gain intellectual stature. In a world that is full of ordinary people thinking and doing ordinary things, such an experience will make you an extraordinary individual.

Adventure In Ideas, Southwestern At Memphis

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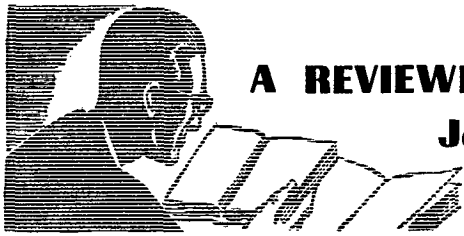

A REVIEWER'S NOTEBOOK

John Chamberlain

THE MODERN AGE might be described as the age of the secondary objective. Bureaus are set up in national capitals to do specific jobs, but they remain on the scene to preserve themselves as bureaus. The League of Nations was established to save the peace, but it was always afraid to make a real attempt to carry out its mission for fear of losing its precarious identity. The same is true of the United Nations: it is doomed to impotence because its objective is not the primary one of justice but the secondary aim of mere existence as an organization.

Chesly Manly, author of "The Twenty-Year Revolution" and a long-term UN reporter, has documented a full decade of UN futility in *The UN Record: Ten Fateful Years for America* (256 pp., Chicago: Regnery, $3.95). But Mr. Manly sees more in the UN than futility; he thinks of it in terms of active, overpowering malignancy. To him, as to Professor Orval Watts, the UN is a trap, a planned device for world enslavement to socialism. The very circumstances of its creation (it was sired, in part, by Alger Hiss) look suspicious to Mr. Manly. He thinks it significant that UNESCO, the subordinate cultural arm of UN, has recommended books, pamphlets and articles written by Fabians and members of the socialistic League for Industrial Democracy. The clincher is the UN conception of human rights, which would plow under the U.S. Bill of Rights. The proposed UN Convenant would end freedom of the press as we know it in America, and it would also threaten a lot of other freedoms as well. In default of the Bricker Amendment, the United States would be committed to the Covenant by virtue of the Constitutional provision that treaties become the supreme law of the land.

For myself, I can follow Mr. Manly's reasoning for part of the distance. The UN *could* become a tyrannical instrument if its supporters were to have their way. But I have never believed for a moment that the UN could really

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grow teeth. None of its important member states is ever going to relinquish the power of the veto, which means that each great national entity will remain the judge of its own behavior to the last. As a matter of strict analysis, the UN has no corporate reality. It is a battleground rather than an organism, a place of meeting rather than a constitutive body. Important decisions may be announced through the UN, but they are not made by UN personnel save in those rare cases when unanimity among the great powers is a pre-established fact.

THE TOOTHLESSNESS of the UN is amply proved by Mr. Manly when he runs over the list of its so-called "successes." Did the UN, as has been claimed, force the Russians out of Iran in 1946? Well, it is true that the Russians did withdraw their troops, but the withdrawal did not take place until after the Soviet Union had "negotiated" a deal giving it 51 per cent of a joint stock oil corporation with powers broad enough to control the province of Azerbaijan. Sumner Welles, Undersecretary of State in the Roosevelt Administration, said the UN Security Council "simply whitewashed a Persian concession to the Soviet Union."

Did the UN have anything to do with ending the communist guerrilla war against the government of Greece? Mr. Manly makes the point that UN General Assembly resolutions calling on the Soviet satellites to cease aiding the guerrillas were ignored completely. Greece was saved by American money and military assistance in combination with the Yugoslav defection from the Comintern.

In the Kashmir dispute between India and Pakistan, the UN has been unable to force a plebiscite. As Mr. Manly says, Nehru refuses to support a UN resolution calling Communist China an aggressor in Korea but never tires of berating the UN for its failure to label Pakistan an aggressor in Kashmir.

The UN has done little to mitigate nationalist tensions in North Africa, or in the Middle East where Israel and the Moslem states are at swords' points. Nor could the UN solve the problems of Indonesia or Indo-China. As for the Korean War, that was fought primarily by U. S. and South Korean forces. All the UN managed to do was to confuse the issue, lead the Red Chinese to believe they could interfere without undue penalty, and prevent MacArthur from getting anything more than a bloody stalemate.

IF THE UN has been a most feeble reed when it comes to forestalling or settling small disputes, it has

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been utterly powerless to mitigate or stop the Cold War. The reason is so obvious that a three-year-old child ought to be able to grasp it: an enemy remains an enemy even though he may sit in the same room with you or belong to the same club. No mere mechanical contrivance for bringing opponents into a posture of confrontation can end a dispute when the will to accommodation is lacking. Conversely, if the United States and the Soviet Union had reason for getting along with each other, it would not matter where or how their diplomats arranged to get together. Only an age of secondary objectives could think a device for staging a meeting is more important than having something to say.

Mr. Manly has assembled a good deal of useful information bearing on such topics as spies and subversive characters within the UN. He has shown how the socialists make use of UN commissions, committees and propaganda outlets. But as long as the United States and the Soviet Union have the power to veto each other's proposals, there is little danger that the UN will prove an engine for forcing tyrannous international commitments. If the United States goes all the way to socialism, it will be because of a weakness at home, not because the UN puts it over on us. The UN isn't that good.

INDEED, the real danger of the UN is something that Mr. Manly touches upon tangentially. The danger arises from the fact that the UN is considered in many influential quarters to be a sacred cow which should never be criticized. This does not give the UN any positive power of its own to disturb us, but it is not conducive to good muscular thinking about the realities of life in a divided world. Simply because the UN is supposed to be sacrosanct as an idea, the teachers of "social studies" in American schools seldom presume to look at historical crises in their true light, as the result of breakdowns in the effort to balance the power. The UN lacks the teeth to force Americans to do anything they don't want to do. But its propaganda threatens to make a mishmash of the American mind.

Mr. Manly speaks of the "myth" of the UN's "moral authority." It has no moral authority because it is not an entity, but merely a method of bringing several competing moral systems into contact with each other. Mr. Manly sounds as though he wishes the UN could have a satisfactory moral authority. But if he really prizes freedom for the United States in particular and the Western world in general, he should be thankful that the UN has no power to enforce a single moral standard. If it had such

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power, the standard might not be our own. And if it happened to be our own, we would stand convicted of tyranny if we were to use the UN to impose our morality on others.

MR. MANLY is on firm ground when he recites the failures of the UN to handle or contain the Cold War. But he doesn't make enough of the complementary fact that all of the big decisions since 1945 have been reached as a result of the same kind of old-fashioned diplomacy that pertained in the days of Bismarck or John Hay. To the extent that the Russians have been contained at all, it has been done by a combination of straight-out alliances, armaments, bribery and the uncomplicated bravery of men like Adenauer, Chiang Kai-shek and Syngman Rhee, to say nothing of the Turks and the Greeks and (on occasion) the Iranians.

Mr. Manly knows all this, but he doesn't apply his knowledge to his study of the UN. If he had, he would have treated his subject with disdain instead of passion. He would have seen that it doesn't make much actual difference whether the UN is dynamited today, or whether it peters into nothingness tomorrow, or whether it persists for a generation or more as a crossroads where diplomats can get together.

But if Mr. Manly makes the mistake of exalting a powerless talkshop into a major devil, his book nonetheless performs the useful function of proving that not all writers are taken in by UN propaganda. The fact that Mr. Manly has the audacity to think for himself is a good deed in a naughty world.

How to Win a Conference, William D. Ellis and Frank Siedel. New York: Prentice-Hall, Inc., 214 pp. $3.95

Nearly everyone is willing to let the other fellow be the good loser. This is true on the football field, but it is just as true around the conference table. The old idea that a conference is an intellectual love feast belongs to another era. In this Age of Irritation the conference is a contest, and if you enter one like sheep you'll come out like mutton.

This book was written with businessmen in mind. In this workaday world, conferences are held for the purposes of putting a policy across or lining up people behind a program; not for the purpose of gaining the sense of the meeting. The authors have assembled the various techniques used by successful negotiators to carry a group with them; knowledge of these same strategems should give the individual strength to stand by his own convictions. E. A. OPITZ

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Guaranteed for Life, by Bruce Allan Findlay. 137 pp. New York: Prentice-Hall, Inc. $2.50

In this volume, the author of an earlier study titled *Your Rugged Constitution,* declares "living in the United States is like being a member of a great orchestra," with the U.S. Constitution being the score from which the musicians play. In 138 pages, sprinkled with over 150 illustrations, author Findlay explains and portrays in modernistic style the individual rights and political principles embodied in our great charter.

Drawing on recent European history for effective illustrations, he has achieved a degree of realism not usually found in the studies of this document. Moreover, he has wisely included a section outlining for the reader ways by which he can play his part in the preservation of the Republic.

The desperate need for citizen-understanding of the Constitution prompts a generous appraisal of any volume seeking to dispel the prevailing ignorance and apathy about the bulwark of our liberties. Yet it is difficult to conclude that *Guaranteed for Life,* in common with other short studies of this kind, can bring about adequate understanding of the Constitution in what might be called "six easy lessons."

Our generation takes about the same attitude toward the Constitution that a third generation heir takes toward a family fortune, and for similar reasons. The wealthy heir, born with a silver spoon in his mouth, knows nothing firsthand of the difficulties, hardships or problems involved in the accumulation of the wealth of which he is the beneficiary. The result is that he takes that wealth as an automatic right, or as is sometimes the case, treats it with scorn.

Findlay is obviously aware of the problem this lack of personal experience presents. He endeavors to cope with it by using illustrations based upon European events of the last two decades. His pictures make clear that one does not need to look deep into history to discover what can happen to an easily misled or complacent people.

At a time when almost everyone seems to be creature-comfort-crazy, and our politicians frequently outdo the communists in their Marxist appeals, it is hard to envision much popular demand for *Guaranteed for Life.* Scientific materialism and defense-spending prosperity have produced an all prevailing smugness that is almost impregnable. Bruce Findlay deserves credit for fashioning an original and simply-worded volume to be used in the battle to restore the eternal vigilance that is the price of liberty. HOWARD BUFFET

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WELL WORTH READING

Reader's Choice: The serious journal of ideas, such as the old *North American Review*, or the more recent *Atlantic* under Sedgwick, cannot now find a reading public interested enough to support it. But before we write off the serious reader as an extinct species, consider the phenomena of the paperbacks. At a price comparable to a magazine, an amazing variety of books is available in nearly every field at top intellectual levels.

Beacon has recently reprinted two books of interest to libertarians who like occasionally to loosen the soil around the roots of their ideas. They are Ernest Cassirer's *The Philosophy of the Enlightenment* and Elie Halevy's account of the utilitarians, *The Growth of Philosophic Radicalism.* If there is a public for books like this, all is not lost.

* * * *

Labor Monopoly: Donald Richberg, one of the country's best informed men on labor union matters, has delivered an address entitled, "How Shall We Deal with Labor Union Monopolies?"

Copies may be had at ten cents each by writing to The Economic Club of Detroit, 920 Detroit Free Press Building, 321 West La Fayette Avenue, Detroit 26, Michigan.

* * * *

Small Fry: Mrs. A. G. Boylston of Grosse Point Park, Michigan, writes, "Why don't you add a children's book review section so that libertarian parents can be sure they aren't missing any good books?" I don't know where this journal would find space for a children's book section, but it might make room to pass along the names of books which libertarian parents have found to their tastes. Close to the top of any such list would be the Little House in the Woods series, by Laura Ingalls Wilder. We read the series to our daughter during her fifth year and the pleasure was mutual. On her sixth birthday she got the handsome new Harper edition of the eight volumes illustrated by Garth Williams, and we've gone through the entire set again. The books are unsurpassed as an authentic picture of Laura Ingall's own family, which settled in the West shortly after the Civil War. American life has evoked extraordinary qualities from ordinary people, and Mrs. Wilder's books awaken that possibility in a new generation. — EDMUND A. OPITZ, *Staff Member of FEE*

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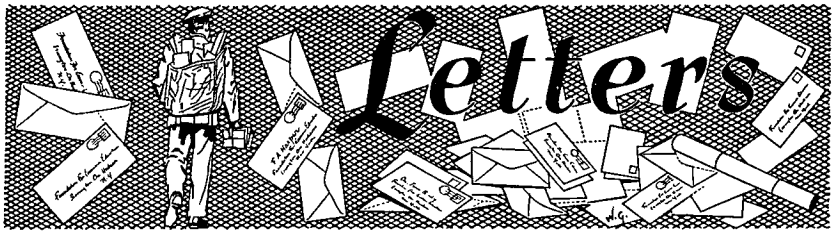

EXCERPTS FROM CORRESPONDENCE OF INTEREST TO LIBERTARIANS

Alumni Funds

Dear Mr. S:

Your search for a proper answer to the solicitor of funds for "Alma Mater" is a problem which has plagued many a deviant alumnus, including me. It is not that I disagree with everything being taught; it is only that the package, as offered, does not appeal to me.

Perhaps I should inject here that most of my deviation from the current philosophies expounded through my alma mater is not the consequence of their having changed. It is I who have deviated toward the free market, private property, limited government, libertarian point of view. As far as I know, the colleges are still offering approximately the same educational opportunities they once offered me — the same general ideas and philosophies — within the same kind of an institutional framework which precludes any donor's chance of separating the parts he might want to support from the parts objectionable to him.

In fairness to the colleges, I'll concede that I was not a wise student. I failed to select some of the better courses and better teachers. There were then and still are some excellent teachers, along with the mediocre or worse. I simply was unprepared to make the best selection. I now believe that the kind of college instruction being offered is a responsibility which must be borne in part by the college student. The opportunity of students to influence this trend is probably greater than the direct opportunity open to present and potential contributors to alumni funds.

What I'm suggesting is that we spend more time working with our own youngsters, consulting with them and advising them after we have earned their desire to seek our advice. This means doing our own homework first, learning to distinguish sharply and to explain clearly the distinctions between libertarian and authoritarian doctrines. PAUL L. POIROT, *FEE Staff*

Readers are invited to nominate their own or other letters of note for this section; the author's permission to print should accompany the nomination.

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The Foundation for Economic Education is a nonprofit institution dedicated to a society of free men, voluntarily cooperating with one another, to the end that each may best realize his potential. This involves the study, explanation and promotion of such libertarian ideals as private ownership, willing exchange, open competition and limited government.

In addition to publication of THE FREEMAN each month — a major undertaking in itself — the Foundation also conducts numerous other projects. A detailed report of these activities is available on request.

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